



Title: Title I, Payroll/Personnel Manual
Chapter:
Bulletin: Title I, 04-22, Qualified Transportation Fringe Benefits
Date: December 17, 2004
To: Holders of the Payroll/Personnel Manual
Personnel User Groups
Agency Personnel Offices

Effective with the processing of Pay Period 25, the fringe benefit for parking fees will increase from \$195 to \$200 per month and the transit benefits allowance will increase from \$100 to \$105 per month.

Internal Revenue Service (IRS) regulations state that employee parking subsidies over \$200 and transit subsidies over \$105 are considered taxable fringe benefits. Agencies can use one of the National Finance Center (NFC) entry systems or the Time and Attendance Report (T&A) to report the excess payment over \$200 for parking fees or over \$105 for transit benefits.

When entering employee parking or transit subsidies on the T&A, the benefits may be recorded biweekly, monthly, quarterly, semiannually, or annually (in accordance with agency policy) and must be reported by the end of the tax year (usually Pay Period 24). When using an NFC entry system to enter these benefits, the amount entered in the Allowance Rate field will be reported each pay period until deleted.

Note: Agencies should not enter employee parking or transit subsidies using both the T&A and an NFC entry system. If two methods are used, the T&A will be suspended. Therefore, timekeepers should check with their servicing personnel office before entering this information on the employee's T&A.

The payroll/personnel procedures, which are available online at the NFC Web site, are being updated to include the information in this bulletin. The **Latest Update Information** section at the beginning of each procedure provides a summary of the update. To view and/or print the procedure, go to the NFC home page (www.nfc.usda.gov) and click the Pubs & Forms icon. At the **Pubs & Forms** page left-hand menu, under **Publications Catalog**, click **List By Acronym/Name**, then search for the applicable procedure.

For questions about NFC processing, contact the Payroll Operations Branch at **504-255-4630**. Please refer questions about system access and other system-related issues to Customer Support at **504-255-5230** or via e-mail at customer.support@usda.gov.

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